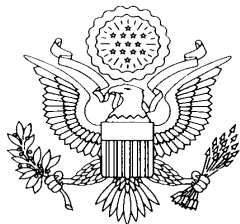


AFRICA NEWS REPORT



AFRICA REGIONAL SERVICES - AMERICAN EMBASSY
58 BIS, RUE LA BOETIE , 75008 - PARIS - TEL: 01.43.12.48.61 - FAX: 01.43.12.46.57
(<http://usembassy.state.gov/paris-ars/wwwhpres.html>)

ENGLISH VERSION

ISSUE #820

December 22, 2003

CONTENTS

Page

U.S. Labor Secretary Visits Former Child Soldiers in Democratic Republic of Congo (Elaine Chao also scheduled to travel to Benin and Ghana) (520)	1
U.S. Labor Secretary Chao Begins Three-Nation Africa Trip (Will visit Democratic Republic of Congo, Benin and Ghana) (490)	1
\$10 Billion Handicraft Market -- and AGOA -- Courts African Artisans (African artists show, sell wares during AGOA III Forum) (1050)	2
Regional Groups Are Key For Developing Nations To Compete In Global Markets (Trade Consultant Assesses AGOA and U.S. Trade Policy Formulation) (1150)	3
U.S. and Africa Embrace Free Trade But Differ on Approach (COMESA Minister Mwencha Addresses Third AGOA Forum) (930)	4
AGOA Creates Jobs, Wages -- And A Larger Tax Base -- In Africa (Income opportunities for women make them less vulnerable to HIV/AIDS) (660)	5
Ethiopia And U.S. Celebrate 100 Years Of Diplomatic Relations (Amb. Shinn cites diaspora as true link of lasting friendship and common cause) (1010)	5
USAID Head Praises Uganda as Model For Microeconomic Reform (Natsios cites Museveni's work at Third Annual AGOA Forum) (770)	6

U.S. Expresses Concern At Fighting in Darfur Region of Sudan
 (Text of 12/16/03 Boucher statement) (320) 7

Eritrea Accepts Boundary Commission Decision
 (Amb. Girma urges its implementation) (570) 7

USAID Grant to Nonprofit to Fund Food Security Program
 (Project to target developing country needs) (560) 8

AEF406 12/18/2003

U.S. Labor Secretary Visits Former Child Soldiers in Democratic Republic of Congo

(Elaine Chao also scheduled to travel to Benin and Ghana) (520)
Washington - U.S. Secretary of Labor Elaine L. Chao met December 18 with former child soldiers and toured a home for demobilized child soldiers run by the Belgian Red Cross in the Democratic Republic of Congo (DRC).

Secretary Chao is visiting three African countries December 16-21 to highlight the continuing efforts to end the worst forms of child labor -- including using children as soldiers and trafficking in children -- and to promote programs in the workplace to stop the spread of HIV/AIDS.

"While we can't give child soldiers their childhood back, we can help them to rebuild their lives," said Secretary Chao in a press release made available in Washington. "This work is so important for bringing hope and opportunity to so many children who have been so abused."

Secretary Chao visited a Belgian Red Cross transit and rehabilitation center for former child soldiers. The center, according to a Department of Labor press release, provides a temporary home, psycho-social support, and vocational training services to former child soldiers.

At that facility, partner organizations implement family tracing programs in coordination with the Belgian Red Cross to locate separated family members and provide referrals for the children to return home. The family tracing and reunification process is ongoing; thus the number of children at the center is constantly in flux. The center Chao visited is one of two Belgian Red Cross transit and rehabilitation centers in Kinshasa.

There are an estimated 300,000 children around the world who are involved in armed conflicts. These children, the Department of Labor press release notes, are often brutalized and forced to serve as combatants, guards, spies, and even sex slaves.

In May, Secretary Chao hosted the Department of Labor-sponsored conference, "Children in the Crossfire: Prevention and Rehabilitation of Child Soldiers." At that conference, she announced a new \$13 million Labor Department global initiative to prevent and rehabilitate child soldiers, including \$7 million for the International Labor Organization's International Program on the Elimination of Child Labor, \$3 million for the International Rescue Committee in Uganda, and \$3 million for a UNICEF project in Afghanistan.

Since 1995, the U.S. Department of Labor has received \$313 million to fund international projects aimed at preventing and eliminating the worst forms of child labor. The department has already obligated \$275 million of the money received for child labor projects in more than 60 countries. These projects are designed to remove children from hazardous work environments and exploitive conditions, to provide educational opportunities for child laborers and to conduct research and raise awareness about the child labor issue.

The United States is a signatory to ILO Convention No. 182, which condemns the forced recruitment of children for use in armed conflict as one of the worst forms of child labor and calls upon countries to assist one another in eliminating all adverse forms of child labor as a matter of urgency.

Before leaving Africa, Chao is also scheduled to visit Benin and Ghana.

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF203 12/16/2003

U.S. Labor Secretary Chao Begins Three-Nation Africa Trip

(Will visit Democratic Republic of Congo, Benin and Ghana) (490)
Washington -- U.S. Secretary of Labor Elaine L. Chao travels to the Democratic Republic of the Congo (DRC), Benin, and Ghana December 16-21 to highlight continuing U.S. commitment to end the worst forms of child labor, the use of children as soldiers and trafficking in children. She will also promote programs to help stop the spread of HIV/AIDS in the workplace.

"The purpose of this trip is to highlight the plight of child soldiers, the worst form of child labor," Chao explained in a Department of Labor press statement released on the eve of the trip. "The community of civilized nations must acknowledge the horror of this practice and all forms of abusive child labor and help eradicate its existence," she added.

Chao said while in Africa she will be launching several initiatives to help combat abusive child labor and will tour a number of sites to visit children who are trying to reclaim and rebuild their lives.

According to the press release, Chao plans to meet with DRC President Joseph Kabila. She will also meet with American and DRC government officials as well as representatives of non-governmental organizations (NGO) and private organizations that are involved in rehabilitating child soldiers.

While in the DRC, Chao will also launch a \$7 million Labor Department program to rescue and rehabilitate child soldiers. The program, according to a Labor Department press release, will be administered under the auspices of the International Labor Organization's (ILO) International Program on the Elimination of Child Labor.

During her stay, Secretary Chao will also visit a center that demobilizes child soldiers and helps reintegrate them into civil society.

The secretary's visit is a follow-up to the International Conference on Child Soldiers that she hosted in Washington earlier this year. There are an estimated 300,000 children around the world who are involved in armed conflicts, according to the Department of Labor release.

In Benin, Secretary Chao will see the Minister of Family, Social Protection and Solidarity, Massiyatou Latoundji Lauriano. She will visit with American and Benin government officials and NGO and private organization representatives to discuss the elimination of trafficking in children.

Secretary Chao, a former director of the Peace Corps 1991-1992, will also meet with Peace Corp volunteers and launch a Department of Labor trafficking project and visit two centers that rehabilitate children who are victims of trafficking.

Finally, in Ghana, Chao will discuss stopping the spread of HIV/AIDS through workplace initiatives with Ghanaian and American representatives of the government, NGOs and other private sector groups.

As in Benin, Secretary Chao will meet with Peace Corps volunteers and will deliver closing remarks at the two-day launch of the Labor Department's HIV/AIDS Workplace Initiative.

Secretary Chao said she has had a lifelong commitment to the issues she is discussing throughout the trip.

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF501 12/19/2003

\$10 Billion Handicraft Market -- and AGOA -- Courts African Artisans

(African artists show, sell wares during AGOA III Forum) (1050)

By Susan Ellis

Washington File Staff Writer

Washington -- In the United States alone, the market for handcrafted articles "is \$10 billion a year -- billion with a capital 'B'," U.S. Commerce Department official Molly Williamson told an audience of African artisans, U.S. importers, and U.S. and African government officials at the Smithsonian Institution's Ripley Center during the Third AGOA Forum in Washington in December.

"There's a strong desire to find the unique, the interesting, the product with a story," said Williamson, who is deputy assistant secretary of commerce for Africa, the Middle East and South Asia. "This consumer market, large and growing, is something that opens a very special (market) for Africa products through AGOA (the African Growth and Opportunity Act). You will find throughout the United States specialty shops (and) big chains...looking for the products that come from, among other places, Africa."

The \$10 billion marketplace, she said, "includes all manner of products and crafts," although the Smithsonian workshop focused only on Category 9 of AGOA, specifically textiles and folkloric products.

Category 9 products have to keep within very specific standards, explained Mark Irwing of Spice Island Trading in Madagascar, but that causes some confusion for the artists. "For example," he said, "we are advised to follow the fashion trends. Artisans are willing, but as soon as we start to put extra work on the merchandise -- if we sew with machine or add leather or zippers -- products (no longer) fall into Category 9, and importers have to pay duties on the products!"

Many African artisans who participated in the AGOA Forum had the opportunity to display and sell their wares at a reception and pre-Christmas holiday sale in the National Museum of African Art the evening of December 9.

"This is where my heart is, my love is, and my life is and I came back," said American Elaine Bellezza, has lived in West Africa for 12 years, first working in the non-profit sector. "When my contract ended, I went back to the United States," but, she said, her heart and soul brought her back to Mali where she "set up a private company working with 120 artisans in Bamako."

She is proprietor of 'Mia Mali,' where former Peace Corps Volunteer Joe Funt worked as part of his tour in Mali.

"I was working in an artisans union with a women's association. The women make the mud cloth here," Funt said, showing off pillow covers, apparel, and other items. "We would be designing western products from traditional mud cloth."

An Ethiopian man, who was displaying elaborately woven, brilliantly hued silk pillow cases, said "We're trying to get the Category 9 exemption in Ethiopia for hand-loomed, hand-woven or folklore (items), but so far the Ethiopian government has not entered into (AGOA) with the U.S. government."

Bridget Kyerematen, from Ghana, said "We do recycled glass beads and metal as candleholders; we try to put most things into functional products and we also use our basic traditional concepts to ornament (for example) the face of a fertility doll; we have some brass. We work with importers and wholesalers for they know the market."

The glass beads sell well, she said, as well as the candleholders with metal stands and an array of jeweled stones as decoration. "Before, the brass napkin rings used to do well but now I think there's a shift," she said, illustrating another point made by

workshop speakers -- that artisans need to be alert to changing trends at the retail side.

A woman artisan from Rwanda said she has used AGOA since 2001. It "hasn't helped yet for the craft because even before AGOA the crafts coming from Rwanda don't pay duty because of the GSP

(General System of Preferences). Maybe AGOA will help us to find big buyers," she said hopefully.

Francoise Mukagihana, managing director of 'Modis International Handicrafts' in Kigali, sells "grass baskets; wood carvings that use maize, and banana leaf baskets. And I sell wall hangings too," she said.

A Tanzanian woman artisan said "I'm selling carvings, ebony carvings. In Tanzania we are very rich with ebony trees. We have plenty of ebony trees, which we can even (cut) for some 50 years. I mean hard black wood. I am also selling batik and tie-dye ... baskets and beads, which are made from banana fibers.

"(AGOA) helped us," she continued. "We have a little shop so that we can maybe compete with eastern bloc -- the Chinese and the Japanese who sell their things in the United States at a very cheap price. Maybe we can compete."

Among her objects were lovely scenes of village life and "action scenes," of wild animals made from papier mache as wall hangings. "We do recycled paper. And these (action figures), have been done by street boys." They sold for \$15 each.

From Nairobi, Kenya came jewelry of all varieties known as "Kazuri," -- colorful handmade high-fired ceramic beads individually hand-done by a group of Kikuyu women who work at a project in what once was a part of Karen von Blixen's coffee plantation (made famous by the film "Out of Africa").

Patrick DuBrule, who sells the products, is an American born in West Africa, now living in the U.S. state of Maine. He says the women artisans are "all very well paid. They have 400 dependent children who get school supplies, uniforms and health insurance.

"We sell about 10,000 pieces a year, contributing about \$80,000 to the Kenyan economy on an annual basis."

He describes the Kazuri workmanship. "All the patterns individual. Hand painted. Everything is bisk-fired. We work with handicapped women in the outlying villages. We will take a bag of raw clay to them and give them a size bead and they'll sit there and they'll hand shape it and we go back and collect it a week later and pay them for those -- bring them back to the workshop, put them in the kiln, bisk-fire them, glaze them and fire them again," and they're ready for the market.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF502 12/19/2003

Regional Groups Are Key For Developing Nations To Compete In Global Markets

(Trade Consultant Assesses AGOA and U.S. Trade Policy Formulation) (1150)

By Charles W. Corey

Washington File Staff Writer

Washington -- While market access is the drumbeat of the African Growth and Opportunity Act (AGOA), the capacity to trade competitively in the U.S. and global marketplace is really the key to making this trade legislation work for Africa, says Stephen Lande, president of Manchester Trade Ltd.

In a December 8 address to the 2003 Private Sector Session of the Third AGOA Forum, Lande, an international trade adviser said, "We spend so much time...talking about market access opportunities...but to put it very simply, unless you have world class, competitive production that can take advantage of these opportunities, it (access) will come to naught."

As a way to ramp-up and become globally competitive, Lande promoted the importance of regional trade communities. It is through regional trade communities and agreements that developing nations can work their way up to trade competitively in the U.S. and global marketplace, he said.

"You don't go simply from a small market...into the world market," he counseled his audience of African ministers, ambassadors, executives and trade specialists who were gathered in Washington. "You need an intermediate step and that is provided by regional economic communities because they group countries together. Such an arrangement," he said, "gives countries, entrepreneurs and workers the opportunity to begin to approach the economies of scale that are necessary for export."

If you are going to look at AGOA, he said, you have to view it in the context of the World Trade Organization and free trade agreements (FTA) operating in the context of the regional economic communities.

Lande went on to explain the importance of understanding the relationship between the American business community and the United States government and how they often interact in the formulation of U.S. trade policy.

U.S. business and its trade groups are largely organized into three categories, he said: global, sectoral and geographic.

"By far the most important business organizations in terms of the overall formulation of U.S. trade policy are the global organizations" he said, which include the U.S. Chamber of Commerce, the National Association of Manufacturers (NAM), the National Foreign Trade Council, the Emergency Committee for American Trade (ECAT), the Business Roundtable and the U.S. Council for International Business.

"These are the groups (along with the Farm Bureau on agricultural topics) that basically set the pattern for the generic U.S. policy approaches -- whether they are toward the regional agreements...the bilateral free trade agreements or the WTO," he said.

A second group organized by trade sector, he explained, also exerts influence in the policy formulation process. Sectoral groups such as the American Textile Institute, National Cotton Council and the American Iron and Steel Institute are "usually considered to be against free trade initiatives," he said, fearing free trade will adversely impact their trade sector.

The last group, Lande identified as "geographic" such as the Caribbean Central American Action group and the Corporate Council on Africa (CCA), which both lobby for expanded private sector trade and investment flows between their respective regions and the United States. Also functioning in this "geographic" area are ad-hoc groups, he said, such as the AGOA III Coalition run by former assistant U.S. Trade Representative for Africa Rosa Whitaker, which is now seeking a further expansion of the historic AGOA trade legislation.

"Each issue that is under consideration in the United States, whether it be multilateral, bilateral or preferential level usually has various groups that begin to play a role" in the formulation of U.S. trade policy, he explained. As an example, he said, the primary lobbying for AGOA III is being done by the Corporate Council on Africa (CCA) and the AGOA III Coalition. Lande then went on to frankly and realistically assess the

importance of AGOA and its link to the U.S. business community.

"It is important to some groups," he acknowledged, speaking of AGOA and its pending expansion and enhancement as AGOA III. "But to the big groups frankly, it is a little punctuation mark, an asterisk."

"If you believe in motherhood, fatherhood, you believe in AGOA, but how much political capital will you use, how many donations will you make in campaigns" to make the expanded AGOA III legislation become a reality? "Not that much," he said, "unless you are a specific group (that urgently needs the legislation) -- that is why the Corporate Council is important."

Lande said besides the obvious role of Congress in the legislative branch passing the AGOA legislation, there are three key areas in the executive branch of U.S. government to focus on in terms of trying to influence and generate AGOA trade policy. The major player, according to Lande, is the Office of the United States Trade Representative (USTR), which works together with other U.S. departments such as State, Commerce, Labor and Treasury to formulate the government's position on trade issues.

While the USTR does not fit easily into any organizational charts, Lande said, it is important to the White House because it focuses on trade issues. In that regard, he said, political specialists in the White House will assess AGOA and the level of attention it should deserve from the executive branch.

A second official part of the foreign affairs power structure in the White House is the National Security Council, he said, which will offer its assessment.

A third key area is the political wing in the White House, he said. "Every administration has to have a group that assures that it is reelected and that the administration sticks to the rules or whatever its philosophy is. Somebody has to coordinate this" and review AGOA trade legislation from a political perspective.

Lande said five basic factors drive U.S. trade policy: Textiles, agriculture, the continuation of preferences, unfair trade practices called dumping and capacity building.

Capacity building is the most important of the five issues for African and other developing countries, he stressed. "You must have capacity building so that you have the products you can trade." Capacity building is most important, he said, because if you don't have products to export, everything goes out the window.

Lande called on the World Bank and International Monetary Fund to provide greater assistance to developing world countries that are trying to function and prosper under the WTO system.

"I go to WTO meetings," Lande recalled. "The negotiators work very hard. I always see the World Bank and IMF there. They always give a very good speech in the beginning and then I don't see them work very hard because they are not part of the process. They are the people that should be sitting with you now," helping developing countries to prosper under the WTO trade structure.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF201 12/16/2003

U.S. and Africa Embrace Free Trade But Differ on Approach
(COMESA Minister Mwencha Addresses Third AGOA Forum) (930)

By Charles W. Corey

Washington File Staff Writer

Washington -- While both Africans and Americans agree that the historic African Growth and Opportunity Act (AGOA) has been a success in championing increased bilateral trade, both parties differ in their approach to the free market trading system, says Erastus J.O. Mwencha, secretary general of the Common Market for Eastern and Southern Africa (COMESA).

Speaking December 8 at the 2003 Private Sector Session of the Third AGOA Forum, Mwencha said, "We are all agreed on the mission" of AGOA -- to realize a free and equitable global free trade regime. "We are also agreed on the fact that globalization is here to stay and that the World Trade Organization (WTO) is the most ideal and viable system to global trade liberalization and development."

Mwencha told his audience of ministers, ambassadors and corporate executives that despite such accord, "what might not be agreed upon is how to get there."

The COMESA minister said his involvement with AGOA began in 1997, when he traveled to the United States to lobby for passage of the original AGOA I legislation.

"At that time, we met many skeptics who felt that AGOA was doomed to fail and that AGOA was a new form of colonialism. Today as we sit here, we can all be proud that we confounded them and proved

them wrong, especially when one reviews the trade figures that speak for themselves."

[In the first three quarters of 2003, U.S.-Africa trade under AGOA has grown by 59% over the same period last year, amounting to more than \$10.2 billion. Lesotho is now exporting more than \$300 million of goods under AGOA annually, more than 21,000 AGOA related jobs have been created in Kenya and Mercedes-Benz automobiles made in South Africa are now being imported into the United States under AGOA.]

Mwencha said those engaged in world trade could learn a lot from the game of golf as they seek to further refine the rules under which the global trade regime operates.

"One of the most important rules of golf is recognizing someone's handicap.... Under that handicap system," he explained, "it is possible for me to play a game with (professional golfer) Tiger Woods -- and I could even have a chance of winning. And that is how we (Africans) think the global trade regime should be designed."

The first factor that must be recognized, he said, is that developing countries have handicaps such as poor infrastructure, a lack of available credit and a host of other factors.

It is for those reasons, he said, that African and other developing countries have been asking for "special and differential treatment."

Since the onset of the GATT and WTO trading systems, he explained, it is instructive to look at how Africa has performed.

"In the 1950s, Africa's share of global trade was around six percent. Today," he lamented, "it is just barely two percent, in spite of the fact that we have had seven or eight rounds of GATT and now the WTO.

"On the contrary," he added, "we have seen developed countries that have done very well."

Mwencha went on to cite figures which he said show that the United States could gain as much as \$30 billion from increased

WTO trade liberalization. This could be a great contribution to Africa -- if African countries could only secure just one-fourth of that amount, he said.

Among the 20 COMESA countries, Mwencha said, trade is growing. Last year, he noted, COMESA member countries enjoyed "significant growth" and even greater trade between COMESA and third countries -- all because of stability, predictability, and a combination of elements that support free trade.

[COMESA member countries include: Angola, Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe.]

"We have seen in ourselves, trade growing from less than one billion to four billion dollars within a very short time because of these elements," he said, while cautioning that "trade is not just about tariffs.... Many other elements and conditions combine together to boost trade," he said.

Referring to the recent breakdown of WTO talks at the Cancun Ministerial Conference in September 2003, Mwencha said, "the message has not been understood with regard to what Africa is asking for. Africa is simply asking that we be able to participate in global trade and especially in those areas in which we have comparative advantage..." such as agriculture.

That is why African countries have pursued the Doha Development Agenda, he added. African countries want to develop capacity and participate in global trade, but he stressed that "maintaining the status quo under the WTO is hurting Africa the most.

"Therefore there should be no illusion that Africa celebrated or is happy with what happened in Cancun. In fact," he said, "Africa is calling for the resumption of those talks and praying that there will be flexibility for us to find solutions to these very challenging problems."

In conclusion, Mwencha said Africa needs greater human resource training and development and a greater familiarity of U.S. sanitary and phyto-sanitary standards so African farmers can export their products to the United States.

Additionally, he suggested that AGOA be expanded to promote more regional trade integration all across the continent. "It is only through regional integration that we can realize long-term sustainable development," he said.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF202 12/16/2003

AGOA Creates Jobs, Wages -- And A Larger Tax Base -- In Africa

(Income opportunities for women make them less vulnerable to HIV/AIDS) (660)

By Susan Ellis

Washington File Staff Writer

Washington -- When entrepreneurs take advantage of the export opportunities under the African Growth and Opportunity Act (AGOA), they create jobs, increase wages and wage earners and broaden the tax base, all of which can have a positive effect on efforts to cope with the HIV/AIDS epidemic in Africa, explained policy analyst John Stover.

Speaking at the closing plenary session at the AGOA Forum at the Department of State December 10, Stover, vice president of The Futures Group International, which assesses

population and health issues in developing countries, said AGOA provides salaries and jobs, and "can lead to reduced vulnerability (to HIV/AIDS) especially when wage opportunities (are created) for young women."

At the same time, the greater tax base that AGOA-spawned employment and enterprises provides nations can help support more effective government programs to combat the epidemic and deal with its consequences, Stover said.

Stover admitted that increased employment under AGOA may "have some negative impact on the AIDS epidemic to the extent that it increases labor migration away from families" but more often it provides "wage opportunities -- (especially) in the apparel and textile industry -- for young women, who otherwise have few opportunities to earn their own income."

"AGOA has stimulated growth and exports in several sectors. The apparel and textile sector in particular offers great prospects for employment growth," he continued. "AGOA-related textile and apparel exports to the United States in 2001 amounted to over \$800 million and accounted for some 110,000 new jobs."

"Although this is a small portion of total export from and employment in the region, it is an important source of new jobs that can stimulate greater future growth."

"Some countries have benefited more than others," he added. "In Lesotho, there are now some 36 AGOA-approved firms that are producing and exporting textiles and apparel to the United States; and these firms have created over 45,000 new jobs. Malawi has also benefited from AGOA with five AGOA-approved enterprises and a sixth one on the way, exporting some \$47 million worth of goods and resulting in over 6,000 new jobs."

Stover's assertion that the new enterprises and employment stimulated by AGOA indirectly influence the course of the AIDS epidemic was echoed by other speakers at the plenary session. "However," he said, "AGOA enterprises and other private-sector firms can also contribute directly to the fight against AIDS" and cited three types of contributions that can be particularly important.

"Workplace policies should clearly prohibit discrimination on the basis of HIV status. This can contribute to greater understanding of HIV/AIDS and reduce stigma both in the workplace and surrounding communities."

"Enterprises can also implement workplace prevention programs. These typically include health education with peer counselors, using employees as counselors; treatment for sexually transmitted infections; condom distribution; counseling and testing services."

"Finally, many firms are also providing treatment for their employees, including antiretroviral therapy for HIV positive employees and their families. The prices of antiretroviral drugs have dropped low enough that many firms are finding it cost-effective to provide such treatment."

Stover said workplace prevention programs are not expensive. "They generally cost in the range of ten to fifteen (US) dollars per worker per year, adding only a few percentage points to the total labor bill of those firms."

This small cost of prevention "can be much smaller than the cost of dealing with HIV-infected employees," their death and replacement, he said. "As ARV (antiretroviral) prices have dropped, many private-sector firms have led the way in providing ARV therapy to their employees." While they have often done so on moral grounds, in practical terms, now that treatment is affordable, companies also weigh the savings of health care for opportunistic infections against lost productivity, recruitment and training.

(The Washington File is a product of the Bureau of

International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF403 12/18/2003

Ethiopia And U.S. Celebrate 100 Years Of Diplomatic Relations

(Amb. Shinn cites diaspora as true link of lasting friendship and common cause) (1010)

By Jim Fisher-Thompson

Washington File Staff Writer

Washington -- Like an old married couple, the United States and Ethiopia have had their differences over the years but have remained steadfast in a relationship whose bonds of mutual understanding and sympathy have withstood the test of time -- a century to be exact!

Ambassador David Shinn, who served as U.S. ambassador to Ethiopia in the mid-1990s, made that point December 12 as he recounted the long history of Ethio-American diplomatic relations during a commemorative event at George Washington University (GWU). Despite the strain the Cold War and later political developments placed on diplomatic relations between the United States and Ethiopia, Shinn noted, the bilateral connection was buoyed in part by the extensive Ethiopian diaspora in America.

The lecture was sponsored by the Elliot School of International Affairs where the retired diplomat is now a professor. Ethiopian Ambassador Kassahun Ayele and Professor Paul Henze, a former diplomat and Africa specialist who also teaches at GWU, joined Shinn at the evening event, followed by a reception.

Shinn explained that U.S. relations with the Horn of Africa nation originated from contacts between the governments of President Theodore Roosevelt and Emperor Menelik II when an American mission led by Robert Peet Skinner arrived in Addis Ababa on December 18, 1903.

Skinner, who was serving as Consul General in Marseille, was given the title of Commissioner to Abyssinia by Roosevelt and instructed to launch "an important official relationship between Ethiopia and the United States that continues to the present day," Shinn told his audience.

But the official relationship was foreshadowed by a unique and colorful episode that brought Americans into contact with Ethiopia in the nineteenth century, Shinn related.

In the 1870s and 1880s, the Khedive of Egypt had hired former American military officers and civilians, veterans of the American Civil War, to serve in the Egyptian army. "Concerned about the intentions of Emperor Yohannes IV, the Egyptians sent a punitive expedition to Massawa on the Eritrean coast in 1875. The chief of staff for the 12,000 man force was an American and ten other Americans participated in the expedition, which Yohannes soundly defeated."

After Skinner opened direct relations with Menelik, he negotiated a treaty regulating commercial relations between the United States and Ethiopia, which was ratified by the Senate in 1904. According to the scholar, the treaty was hand-carried to Ethiopia and back to the United States by "one of the most interesting Americans" to ever visit Ethiopia, William H. Ellis, an African-American of humble origin from Texas who became wealthy in the hide and wool business, who remained a central figure in the Ethiopian-American relationship for the next ten years.

"Once established, the official relationship began slowly," Shinn said. For its part, Ethiopia had no representation in the United

States until the outbreak of the Italian-Ethiopian war. But it did begin sending small numbers of students to the U.S. early in the 20th century.

On the economic front, several American companies took an interest in Ethiopia prior to World War I, Shinn noted. Singer sewing machines were popular and Singer set up offices in the country while John D. Rockefeller's Anglo-American Oil Company obtained a concession in Harar Province.

"One of the most fascinating episodes in the bilateral relationship," said Shinn, was the degree of interest demonstrated by African-Americans in Ethiopia. Ethiopia took advantage of this interest and recruited some of these African-Americans in the first half of the 1930s to serve in the country. John West, a Howard University-educated physician, served briefly as the emperor's personal doctor.

But it was the looming war with Italy that raised the concern of African-Americans to new heights, Shinn said. "Some 17,500 African-Americans enlisted to fight for Ethiopia until the U.S. Justice Department explained that enlistment in a foreign military would be in violation of American federal statutes.

"Two of the most flamboyant African-Americans to arrive during this period were aviators. Hubert Fauntleroy Julian, who was born in Trinidad but became a naturalized American citizen, went to Ethiopia in 1930 and became chief of aviation for the emperor's three planes. Known as the 'Black Eagle,' he left ignominiously after crash landing one of the emperor's planes. John C. Robinson came in 1935 and flew numerous reconnaissance missions for the emperor's forces during the Italian invasion. Dubbed the 'Brown Condor,' Robinson left Ethiopia a hero."

The U.S. closed its mission in Addis Ababa in 1937 but after British Commonwealth forces and Ethiopian patriots liberated Ethiopia from Italian control in 1941, the U.S. reopened its legation in the capital in 1943. In the same year Ethiopia sent to Washington its first minister.

In the early 1950s Ethiopia sent 6,000 troops who stood shoulder to shoulder with U.S. and other U.N. forces that forestalled the Communist invasion of South Korea.

During the Cold War and since then, political developments have often strained relations between the United States and Ethiopia but the relationship stayed intact partially because of the growth of the Ethiopian diaspora in the U.S., Shinn noted.

There are at least 300,000 persons of Ethiopian origin now living in the U.S., he said. Some 5,000 Ethiopians immigrate to the U.S. each year feeding major Ethiopian communities in the Washington metropolitan area, the San Francisco Bay region, Atlanta, Boston, New York, Houston, Dallas, Los Angeles, San Diego, Seattle and Minneapolis/St. Paul.

"You can find an Ethiopian restaurant in virtually every large American city, and Ethiopian Orthodox churches are becoming more common. As this population grows, it is also increasingly likely to visit Ethiopia by taking advantage of the direct Ethiopian Airline flights from Washington and Newark to Addis Ababa. The political and economic significance of the diaspora on the Ethiopian-American relationship is yet to be realized," Shinn concluded.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF301 12/17/2003

USAID Head Praises Uganda as Model For Microeconomic Reform

(Natsios cites Museveni's work at Third Annual AGOA Forum) (770)

By Jim Fisher-Thompson

Washington File Staff Writer

Washington -- U.S. Agency for International Development (USAID) Administrator Andrew Natsios singled out President Yoweri Museveni of Uganda as the type of leader Africa needs now in order to take full advantage of important benefits under the African Growth and Opportunity Act (AGOA), America's first-ever trade pact with the continent.

Speaking December 9 at the third annual U.S.-Sub-Saharan Africa Trade and Economic Cooperation (AGOA) Forum, Natsios told trade, finance and foreign ministers of 37 African nations gathered at the Loy Henderson Auditorium in the State Department that they should emulate Uganda by placing the focus on micro-economic reforms to deregulate business and create a more enticing investor climate.

"President Museveni is an advocate of microeconomic reform and [therefore] it was very easy to make changes" in his country that allowed a fledgling export effort like Uganda's cut-flower industry to take off and break into the American market, the U.S. official explained.

In contrast, Natsios said, "I've been to countries where the head of state will give you every reason why he will not make any changes in the [business] regulations because then they will not be able to control them. If you want to control everything then you cannot have rapid rates of economic growth because that model -- where everything is over-regulated -- is almost always a failure." Natsios explained that while what the [World Bank], USAID and other donors have been telling countries in the developing world about introducing macroeconomic forms -- stable currency that's exchangeable, low interest rates and the rule of law, democracy and good governance -- is valid, it is not sufficient.

"Business intellectuals," like Michael Porter and others, Natsios noted, have shown convincingly that "you must also have microeconomic reform and trade-capacity building is part of microeconomics."

In Uganda, Natsios said, USAID worked with the cut-flower business, or what Porter calls a "cluster."

"What you basically do is see what the impediments are in the government's regulatory scheme that impedes the expansion of a cluster where there is a competitive advantage. Uganda has wonderful soil. It has sustained rain. It has good farmers. But there were transportation problems in moving the flowers very rapidly out of Kampala to the United States. Those [impediments] were removed and there was a huge increase in cut-flower exports out of Uganda."

In contrast to Uganda, Natsios mentioned a recent visit he made to an African country where the USAID mission director told him about an American businessman who exported local maize stalks to make brooms in America. The businessman had told him if the regulatory climate were not so onerous in the African country he would be able to export twice as much.

But there were two main impediments that kept him from doing so, Natsios added. "The first is that he could not get good letters of credit because there were no commercial banks that were strong in the country. The second problem is that there is a monopoly on shipping by one company that says it will only ship out one or two loads a week.

"This man," Natsios stated, "employs 3,000 people in this [African] country, but he said, 'I could employ 10,000 tomorrow, in fact...I would move my broom manufacturing plant to this country but the rules and regulations to start a new business are so terrible that it would be 10 years before I could start it.'" Natsios emphasized that "it is not sufficient just to have lead time" for such an investment. "You have to have the right microeconomic policies. And what we are trying to do with our three trade hubs -- one each in Kenya, Ghana and Botswana -- is to go through the policies needed" that will support and sustain efforts like lowering trade barriers.

President Bush, Natsios said, "is personally and deeply committed to this. He believes this is the way out of the trap of poverty in the developing world."

As USAID chief, Natsios oversees development and humanitarian assistance programs to sub-Saharan Africa worth more than \$1 billion annually. A key part of the U.S. development strategy is AGOA, passed by Congress in 2000 and meant to spur export-led growth in African countries by offering duty-free and quota-free access to a wide range of their products into the U.S. market. About 60 percent of all U.S. imports from the Africa enter under AGOA.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF204 12/16/2003

U.S. Expresses Concern At Fighting in Darfur Region of Sudan (Text of 12/16/03 Boucher statement) (320)

Washington -- State Department Spokesman Richard Boucher December 16 expressed concern at the "deteriorating humanitarian and security situation" in Sudan where fighting has forced the curtailment of humanitarian assistance in the northwestern Darfur region.

Following is the text of the Boucher statement:
U.S. DEPARTMENT OF STATE

Office of the Spokesman

December 16, 2003

Statement by Richard Boucher, Spokesman

Sudan: Situation in Darfur

The United States is deeply concerned with the rapidly deteriorating humanitarian and security situation in the Darfur region of Sudan. Hostilities in Darfur between indigenous opposition groups and the Sudanese Armed Forces and its allied militias have caused non-governmental organizations and the U.N. to curtail needed humanitarian assistance programs. The United States deplores the parties' lack of engagement to end hostilities in Darfur, despite efforts by the United Nations and the Government of Chad to facilitate talks and a humanitarian cease-fire.

Reports indicate more than 600,000 civilians have been internally displaced, 75,000 refugees have fled to neighboring Chad, and as many as 3,000 unarmed civilians have been killed. Many more have been prevented from planting or harvesting crops. Humanitarian access continues to be inhibited by ongoing insecurity and the Government of Sudan's denial of travel permits to humanitarian workers.

The United States calls on all parties to agree to an observable humanitarian cease-fire and engage in substantive dialogue on ending the hostilities in Darfur. Further, the United States calls on the Government of Sudan to take concrete steps to control the militia groups it has armed, to avoid attacks against

civilians and to fully facilitate the efforts of the international humanitarian community to respond to civilian needs.

The fighting in Darfur is not linked to the ongoing peace talks between the Government of Sudan and the Sudan People's Liberation Movement/Army in Kenya.

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF102 12/15/2003

Eritrea Accepts Boundary Commission Decision

(Amb. Girma urges its implementation) (570)

By Susan Ellis

Washington File Staff Writer

Washington -- Eritrea asks that the decision of the Boundary Commission be implemented fully as set forth, explained Eritrean Ambassador to the United States Girma Asmerom, in an interview with the Washington File November 28.

"The commission's decision is final and binding," he said. "It has to be implemented to the letter and spirit."

"The Ethiopia government has said that they want the decision of the commission to be revisited, which is literally rejecting the decision of the commission. In this aspect, international law is violated. ... The rule of law must prevail.

"If you look at any legal proceedings anywhere, once a final and binding verdict is passed -- be it a family quarrel, a trade union quarrel, be it a property litigation, there is no appeal; there is no revisiting of the issue; there is no reconsideration of the issue. So it is so crystal clear that it (the boundary decision) has to be only implemented.

"So what Eritrea is asking is simple and straight. In the Algiers [agreement], in the U.N. Security Council Resolution, it's clearly spelled out, the party that refuses to implement the decision of the commission would be facing Chapter VII. A measure will be taken on the basis of International Law, that is Chapter VII.

After more than 100,000 deaths on the battlefield, the two countries signed a peace agreement in Algiers in December 2000 and later agreed to abide by the findings of an Eritrea-Ethiopia Boundary Commission (EEBC). In April 2002 the commission awarded territories, including the town of Badme, to Eritrea.

That demarcation decision is now contested by Ethiopia to the chagrin of the U.N. Indeed, the U.N. Security Council has written the Ethiopian Government conveying its "deep regret" at the intention of the Government of Ethiopia not to accept the entirety of the delimitation and demarcation decision.

"Because I was in the meeting, I just want to straighten the record about the visit of the U.S. delegation to the region," Ambassador Girma said. "The American delegation didn't go to the region for the purpose of mediation and didn't go only to Ethiopia and Eritrea, but went to Eritrea, Ethiopia, and Djibouti. And the content and the message of the delegation was three components: the bilateral relationship; cooperation in the war on terrorism; and the border issue between Eritrea and Ethiopia. The delegation also delivered a letter from President Bush to President Isaias which says that the Commission's decision is final and binding."

The U.S. was a witness to the Algiers Accords and considers the EEBC decision final and binding. The U.S. urges the two parties to engage in dialogue in order to achieve reconciliation and the long-term goals of peace and security that will allow the two nations to move forward on economic development, democratization and cooperation with the international community in the war on terrorism.

In November, the U.S. dispatched a delegation headed by Department of State Deputy Secretary of State Don Yamamoto to Ethiopia, Eritrea and Djibouti. They carried letters from President Bush to the leaders of both nations that expressed U.S. concern over the dispute. In Eritrea, they spoke with President Isaias and other government officials about U.S.-Eritrean bilateral issues and the war on terrorism, as well as the border issue.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

AEF103 12/15/2003

USAID Grant to Nonprofit to Fund Food Security Program

(Project to target developing country needs) (560)

The U.S. Agency for International Development (USAID) has awarded a \$800,000 grant to a U.S. nonprofit group to implement a food security program in developing countries.

Under the program, U.S. farmers will donate land, equipment, seeds and fertilizers to churches and local agri-businesses identified by the Foods Resources Bank (FRB), according to a December 12 press release. The proceeds from the sale of resulting crop harvests with addition of USAID matching funds will be used to fund food security programs in the developing world.

"This alliance is an excellent example of how the public, private and non-profit sectors can work together to create positive change," said Frederick Schieck, USAID deputy administrator.

Following is the text of USAID's press release:

December 12, 2003

USAID and Foods Resource Bank Expand

WASHINGTON, DC -- The U.S. Agency for International Development (USAID) has announced an \$800,000 grant to expand a public-private alliance with Foods Resource Bank (FRB) to address hunger through unique agricultural development programs in the developing world. The USAID-FRB alliance was formed in 2002 with an initial \$500,000 grant.

The FRB is a Michigan-based national organization that encourages philanthropy and unites resources in a new and visible way. Under the FRB program, U.S. farmers, paired with urban churches and local agri-businesses, donate land, equipment, seeds and fertilizer to grow crops. The crop harvests are then sold, with USAID matching the proceeds dollar for dollar, and the resulting amounts are used to fund food security programs in Africa and around the world.

"We are proud to be partners with Foods Resource Bank in such an innovative activity to address the critical problem of world hunger," said Frederick W. Schieck, Deputy Administrator of USAID. "This alliance is an excellent example of how the public, private, and non-profit sectors can work together to create positive change."

FRB's food security programs are implemented by 15 faith-based organizations representing most of the main U.S. church denominations. Additional funding partners include the Kellogg Foundation and some private agri-business companies. Currently, the FRB is implementing programs in Central African Republic, Congo, Gambia, Honduras, Kenya, Malawi, Nicaragua, Niger, North Korea, Serbia, Tanzania, Uganda and Zambia.

"Helping people in the developing world to know the dignity and pride of feeding themselves through sustainable agricultural production is what we're about," said Norm Braksick, volunteer executive director of FRB. "We're delighted that USAID

has made this vital commitment to help us build sustainable food security starting in Africa's poorest communities. Our approach allows each person in our country to give a gift, whether land, equipment, labor, supplies or cash -- all of which we use to finance self-help projects. Together we can make a difference one village at a time."

USAID is funding this program through the Global Development Alliance (GDA), a recent initiative and business model to expand public-private alliances and work more closely with the private and non-profit sectors. Under the GDA, USAID is now engaged in more than 200 public-private alliances around the world. For every dollar committed to a public-private alliance, USAID seeks to attract an equal or greater amount in cash or in-kind resources from other partners.

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)